GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:378
ANSWERED ON:26.04.2016
Revival of Sick Mills
Nete Shri Ashok Mahadeorao;Patle Smt. Kamla Devi

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether industrial sickness is on the rise in the Public Sector Undertakings;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government proposes to constitute an expert committee to inquire into unprecedented rise in number of sick mills particularly in backward and rural areas of the country;

(d) if so, the details thereof;

(e) whether some Public Sector Undertakings have not been declared as sick units despite running in loss for the last three years and if so, the details thereof; and

(f) the steps taken by the Government to revive such units?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI G.M.SIDDESHWARA)

(a) & (b): As per the information available in the Public Enterprises Survey, there were 63, 61, and 58 sick Central Public Sector Enterprises (CPSEs) in 2011-12, 2012-13 and 2013-14 respectively. As per the guidelines issued by Department of Public Enterprises on 29.10.2015, the responsibility of addressing the sickness of Central Public Sector Enterprises (CPSEs) lies with the concerned administrative Ministries/ Departments. The administrative Ministries/ Departments monitor the sickness of CPSEs functioning under their control and take timely redressal measures for revival/ restructuring/disinvestment of sick/loss making CPSEs with the approval of the competent authority.

(c) &(d): As per the information available with Department of Public Enterprises, no expert committee has been constituted by the Government to inquire into rise in number of sick mills particularly in backward and rural areas of the country.

(e) &(f): Department of Public Enterprises has issued guidelines on 29.10.2015 for "Streamlining the mechanism for revival and restructuring of sick/ incipient sick and weak Central Public Sector Enterprises: General principles and mechanism of restructuring" to be followed by the administrative Ministries /Departments for revival/restructuring or closure of CPSEs under their administrative control in a time bound manner.

The concerned administrative Ministries/Departments identify sick CPSEs functioning under them, formulate revival/restructuring plan for such CPSEs on a case-to-case basis and after obtaining the approval of competent authority implement the plan.
* * *